

CITY PERSONNEL

The City's operating departments are City Administration, Community Development, Finance, Public Works, and Recreation & Parks. For FY 2020-21, there are a total of 74 approved full-time positions, 68 of which are funded. Additionally, the City employs part-time staff that are equivalent to 26 full-time positions, the majority of which work in the Recreation & Parks Department. The remaining City services, including public safety, are provided by contracted outside agencies and vendors.

BUDGET PROCESS

The City began the budget process slightly later than usual in order to monitor and address the impact of the economic slow down. The first Budget Workshop was held on April 13, 2020. Staff presented year-end estimates for FY 2019-20 along with assumptions and estimates used to develop the proposed FY 2020-21 General Fund Budget. Staff also presented the five-year model highlighting the areas of concern for further discussion.

In light of the financial impacts of the economic slow down, department heads were directed to identify savings and reassess unspent budgets while maintaining current service levels to the community. On April 27, 2020 a second Budget Workshop was held to discuss the FY 2020-21 CIP Budget and CIP 5-year Program. City Council approved 16 projects totaling roughly \$4.3 million. This is a reduction from the 21 projects selected in FY 2019-20 due to the expected loss of TOT revenue and \$1.8 million reduction in the General Fund transfer to CIP.

On May 19, 2020 staff presented the FY 2020-21 Preliminary Budget to the City Council with a structurally balanced budget as required. After further analysis and addressing concerns, the FY 2020-21 year-end unrestricted surplus reached \$8 million, an increase of \$1.1 million over the budget presented during the Budget Workshop.

City Council opened the public hearing for FY 2020-21 budget adoption on June 2, 2020. On June 16, 2020 the City Council continued the public hearing and adopted the budget for FY 2020-21.

Budget Workshops
April 13 (GF)
April 27 (CIP)

Preliminary Budget
May 19

Budget Public Hearing
June 2

Budget Adoption
June 16



GOVERNING BODY

To contact the City Council, please send your email to cc@rpvca.gov. You can also find contact information for each Councilmember on the City's website at www.rpvca.gov.

John Cruikshank, Mayor
Eric Alegria, Mayor Pro Tem
David L. Bradley, Councilmember
Ken Dyda, Councilmember
Barbara Ferraro, Councilmember

RPV QUICK FACTS

- The City has 7.5 miles of Pacific coastline, a 1,400-acre nature preserve, and hundreds more acres of open space.
- The Portuguese Bend landslide is one of the most active in the world.
- Point Vicente Lighthouse is on the National Register of Historic Places and is operated by the United States Coast Guard.
- The Point Vicente Interpretive Center is a premier whale watching site to view the annual migration of the Pacific gray whale, from December through April.

Please contact City Staff if you have any questions or would like additional information.

Trang Nguyen, Director of Finance
(310) 544-5278 tnguyen@rpvca.gov

Vina Ramos, Interim Deputy Dir. of Finance
(310) 544-5210 vramos@rpvca.gov

Chris Browning, Senior Administrative Analyst
(310) 544-5205 cbrowning@rpvca.gov



BUDGET IN BRIEF

FISCAL YEAR 2020-21



CITY OF RANCHO PALOS VERDES

CITY MANAGER'S MESSAGE

It goes without saying that 2020 will be one of those years that will forever be etched in our minds. The impacts to local economies resulting from the unprecedented pandemic required municipalities to adapt their budgets to continuous changes, including our City. This year, the City had to reassess its expenditures to adjust to a sudden reduction in revenues. In preparing the budget for Fiscal Year 2020-21, thoughtful and careful attention was given to maintain the City Council's core values in fiscal conservatism and high service levels, and to honor past City Council decisions to maintain a strong reserve for any potential economic uncertainty.

The City Council's adopted budget for Fiscal Year 2020-21 includes a General Fund that is more than \$3.9 million lower than the previous year despite a \$2.6 million projected loss in revenue, while maintaining a strong excess reserve of \$8 million after the 50% City Council policy. The budget funds activities that focus on the important goals adopted by the City Council: Public Safety, Infrastructure, City Land and Facilities, Quality of Life, Citizen Involvement and Public Outreach, and Government Efficiency and Transparency.

The City Council-adopted budget supports:

- Maintaining the highest level of customer service to the community
- Maintaining the highest level of public safety in the community, including the same service with the Los Angeles County Sheriff's Department contract to sustain low crime rates
- Continuing to fund the fuel modification and revegetation project
- Enhancing the City's natural environments to protect and preserve the City's quality of life
- Continuing to build on and improve the City's infrastructure

Ara Mihanian, City Manager

ECONOMIC CHALLENGES OF 2020

Much like other local governments across the country, this year's budget process incorporated the impact of the economic downturn which began during the third quarter of FY 2019-20. The City's solid financial foundation, financially conservative approach, and stable Property Tax revenue, has moderated the impact of the economic disruption caused by the pandemic.

The sudden and unprecedented drop in TOT (Transient Occupancy Tax) revenue has resulted in reassessment of the Capital Improvement Program (CIP), focusing on projects that were ranked the highest. Despite this, the FY 2020-21 General Fund is estimated to maintain a healthy fund balance, however, there will be fiscal challenges in the coming years that the City will need to prepare for.

It is more crucial now for the City to continue to be fiscally prudent and produce a structurally balanced operating budget. The City also utilizes a 5-Year Model as an additional tool to engage in discussions and provide guidance in decision making.

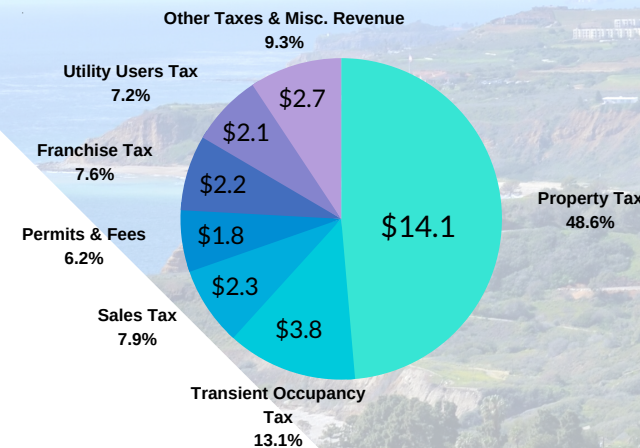
GENERAL FUND

The General Fund is estimated to end FY 2020-21 with an unrestricted surplus of approximately \$8 million after applying the 50% City Council's Policy Reserve of \$13.4 million.

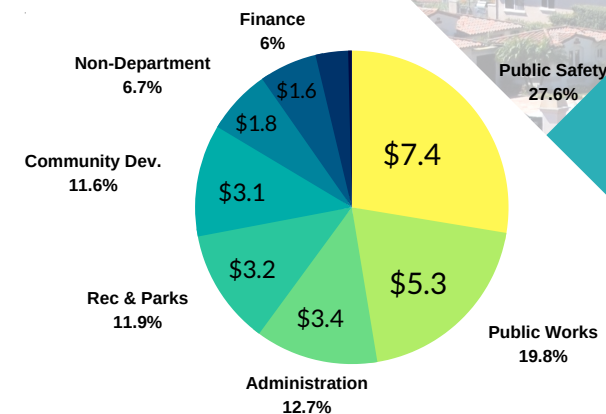
Property Tax is expected to remain strong despite the extended negative economic downturn. TOT revenue is projected to fall to \$3.8 million as leisure and conference travel remain depressed as consumers choose not to travel. Total revenues are projected to reach \$29 million (excluding transfers) in FY 2020-21.

Expenditures were reduced by \$3.9 million when compared to the FY 2019-20 current budget. Approximately \$1.8 million of this reduction is from decreased contracting and consulting services, personnel vacancies, and deferring/suspending non-essential services. The remaining \$2.1 million reduction is due to decreases in transfers to CIP (\$2M) and Subregion One & Improvement Authorities (\$110K). Total expenditures are projected to reach \$26.8 million (excluding transfers).

FY 2020-21 General Fund Revenues



FY 2020-21 General Fund Expenditures



CAPITAL IMPROVEMENTS

Recognizing the need for preventative maintenance and repairs to preserve City facilities and infrastructure, the City Council continues to fund multiple capital projects. The FY 2020-21 budget contains \$4.3 million in funding for the following 16 capital improvement projects.

Project	FY 20-21 Projects
Storm Drain Improvement at 6415 Corsini	20,000
PVIC Park Improvements - Master Plan	50,000
Public Signs Replacement Program	50,000
Nature Preserve Gate for Burma Road Trail	100,000
Nature Preserve Gate for Rattlesnake Trail	100,000
Citywide ADA Transition Plan	150,000
Western Ave Beautification (Engineering)	150,000
Civic Center Master Plan	151,000
Coastal Bluff Fence Replacement Program	200,000
PVDE Widening and Path Improvements at Bronco	200,000
Sidewalk Repair and Replacement Program	250,000
Traffic Signal Light @ PVDS & PVDE	295,000
Traffic Signal Light @ Hawthorne & Via Rivera	342,000
Altamira Canyon Drainage and Erosion Control Project	350,000
Annual Portuguese Bend Landslide Area Resurfacing Program	650,000
PVDS Realignment - East End Construction	1,200,000
Total Approved Projects	4,258,000

The CIP Calendar begins in the fall when departments discuss upcoming and future projects. In January the Public Works department and the Infrastructure Management Advisory Committee (IMAC) review requests for projects & develop a priority list for the City Council. In April, the proposed projects are presented to the City Council. Then the CIP is presented to the Planning Commission to verify compliance with the General Plan and is then delivered to the City Council for consideration and adoption.

